

# WITHDRAWAL SHEET

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**File Folder:** Iran-Contra Hearings – June [May-November 1987] (1)

**Date:** 08/18/2004

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. memo	Arthur B. Culvahouse to H. Baker re reaction to Iran/Contra reports (w/notations), 2p [Item is still under review under the provisions of EO 13233] <i>5/5/89 EOB</i>	11/10/87	
2. outline	Responding to the Iran-Contra Reports, 2p [Item is still under review under the provisions of EO 13233] <i>5/5/89 EOB</i>	11/10/87	
3. memo	William Lytton to Culvahouse re overview of expected testimony of Oliver North, 11p	7/2/87	B1

### RESTRICTIONS

- B-1 National security classified information [(b)(1) of the FOIA].
- B-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- B-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- B-7a Release could reasonably be expected to interfere with enforcement proceedings [(b)(7)(A) of the FOIA].
- B-7b Release would deprive an individual of the right to a fair trial or impartial adjudication [(b)(7)(B) of the FOIA].
- B-7c Release could reasonably be expected to cause unwarranted invasion or privacy [(b)(7)(C) of the FOIA].
- B-7d Release could reasonably be expected to disclose the identity of a confidential source [(b)(7)(D) of the FOIA].
- B-7e Release would disclose techniques or procedures for law enforcement investigations or prosecutions or would disclose guidelines which could reasonably be expected to risk circumvention of the law [(b)(7)(E) of the FOIA].
- B-7f Release could reasonably be expected to endanger the life or physical safety of any individual [(b)(7)(F) of the FOIA].
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

CLOSE HOLD

THE WHITE HOUSE  
WASHINGTON

file  
Q/C  
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SIPR  
not PR

November 10, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.  
CHIEF OF STAFF TO THE PRESIDENT  
  
FROM: ARTHUR B. CULVAHOUSE, JR. *AC*  
COUNSEL TO THE PRESIDENT  
  
SUBJECT: Reaction to Iran/Contra Reports

The House and Senate Select Committee Iran/Contra joint report and minority report are currently scheduled to be released on Tuesday, November 17. I believe that we must begin to formulate our reaction to the report immediately. Furthermore, it is important that we emphasize our positive story of cooperation with the investigations without responding to specific allegations.

Most importantly, we should have a consistent theme throughout the Administration in reacting to the report. If anyone in the Administration becomes involved in addressing the majority report's factual or legal conclusions, we will succeed only in emphasizing its harsh judgments. Similarly, next week may not be the optimum time for the Administration to object vigorously to the majority's objectionable legislative recommendations. Accordingly, in my opinion, we should limit comment on the reports to the minimum, and:

- (a) stress the President's cooperation with the Tower Board, Congressional and Independent Counsel investigations and reaffirm the President's assumption of responsibility for any policy mistakes;
- (b) express our desire to work in good faith with Congress to reestablish a consensus on the national security interests of the United States;
- (c) commit to reviewing the majority and minority reports and soliciting agency views and recommendations for improving the functioning of the executive and legislative branches in the foreign policy and national security areas;
- (d) reaffirm that the report corroborates the President's consistent position that he did not know about or authorize the diversion;
- (e) re-emphasize that significant reforms have been instituted at the NSC following the Tower Board report and

the existing structure is thus far improved from the policy apparatus described in the reports; and

(f) refrain from all commenting on whether any laws were violated (the majority report will conclude that many laws were violated) and observe that given the stark disagreement between the majority and minority reports, and the ongoing criminal investigations, it would be inappropriate for the President or the Administration to make legal judgments. Of course, the President violated no laws and that should be said if the question is posed.

Certain steps should be taken right away, particularly our efforts to communicate the Administration theme throughout the agencies.

I have prepared for your consideration a list of tasks to implement the above approach. I recommend that you convene a brief meeting among Ken Duberstein, Frank Carlucci, Tom Griscom, Marlin Fitzwater, Will Ball, Rhett Dawson, Frank Donatelli, Nancy Risque and myself to discuss the issue and allocate responsibilities.

(AB.)

cc: Kenneth M. Duberstein  
Thomas C. Griscom

Peggy - pls set up  
meeting w/ D & associates  
~~check against  
surroundings~~  
Than by  
Tues  
N.S. HHS

November 10, 1987

RESPONDING TO THE IRAN/CONTRA REPORTS

I. BEFORE PUBLICATION (PRE--NOVEMBER 17)

A. Coordinate Theme

1. Brief the President
2. Advise agency general counsels, press secretaries and legislative offices
  - a. State Department
  - b. Defense Department
  - c. Justice Department
  - d. Central Intelligence Agency
  - e. NSC
  - f. National Security Agency
  - g. Customs Service
  - h. Drug Enforcement Agency

B. Communicate the Theme

1. Prepare background for media on White House and Administration cooperation
2. Prepare op-ed pieces on cooperation
3. Prepare op-ed pieces on NSC reforms
4. Press interviews on positive aspects of story

II. ON PUBLICATION DATE (NOVEMBER 17)

- A. Brief Presidential Statement Released Immediately After Report Issued (reflecting six elements of the theme)
- B. Brief Statements by Relevant Agencies Indicating that they will Study the Reports
- C. Continue Communicating Theme as Above

III. AFTER PUBLICATION DATE (POST-NOVEMBER 17)

- A. Distribute Administration Talking Points
- B. White House Request to Relevant Agencies for Views and Recommendations
- C. Senior Administration Officials Consult with Intelligence and Foreign Affairs Committees

THE WHITE HOUSE

WASHINGTON

July 9, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.  
RHETT P. DAWSON  
KENNETH M. DUBERSTEIN  
M. MARLIN FITZWATER  
THOMAS C. GRISCOM

FROM: ARTHUR B. CULVAHOUSE, JR.   
COUNSEL TO THE PRESIDENT

SUBJECT: Testimony of LtCol Oliver North  
Thursday Morning, July 9, 1987.

Attached is a summary prepared by Counsel's Office of the testimony of LtCol Oliver North at this morning's session of the Iran/Ccntra hearings.

Attachment

THE WHITE HOUSE  
WASHINGTON

July 9, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: WILLIAM B. LYTTON III *UL*  
SUBJECT: TESTIMONY OF LTCOL NORTH  
JULY 9, 1987 (MORNING SESSION)

I. Overview

LtCol North read an opening statement in which he praised the President's political and foreign policy leadership. He firmly denied press reports that he was a "personal confidant" of the President. He called the Committee hearings "a strange process" in which the Committee acted as player and umpire and seemed to lament that "the President has chosen not to assert his [executive privilege] prerogatives." He called "mindboggling" that some were attempting to criminalize policy differences between the Executive and Congress.

Much of the examination by minority counsel focused on the merits of the cause of the Nicaraguan resistance. North asserted that he and, he felt, his superiors did not believe that the Boland Amendment applied to the NSC staff and stated that he had received outside legal advice from John Norton Moore, a law professor who specializes in international and national security law.

It was also elicited that Iranian officials had helped to resolve the TWA 847 hostage crisis. North stated that the U.S. was hampered by lack of human intelligence in Iran, was forced to rely on Israeli assets, and that one goal of the Iran initiative was to improve our intelligence on Iran. He also stated that he priced weapons sold to Iran to ensure the U.S. received the standard FMS price.

North testified that he had been under the impression that Attorney General Meese had approved the November 1985 finding purporting retroactively to approve the CIA's assistance for the November 1985 Israeli sale of arms to Iran. He admitted that no one told him that Meese had approved the finding, however, and that his impression was based on the fact the, as a matter of practice, findings were coordinated with the Attorney General.

He reiterated that his reason (though he could not speak for others) for adjusting the Fall 1986 chronologies was his

concern for the physical safety of the principal U.S. contact in Iran (the "second channel") and the hostages. North was afraid of the Iranian reaction if it were disclosed that the U.S. had participated in the November 1985 shipment which had so upset the Iranians.

North testified that the Iranians had not agreed that all hostages would be released upon arrival of the McFarlane delegation, although Ghorbanifar had told them the opposite. North stated that the decision to have the plane carrying remaining HAWK spare parts take off from Israel during McFarlane's last night in Tehran was part of a fully briefed prearranged plan that would permit the plane to turn around if the hostages were not released in time.

The morning session was marred by the outburst of a noisy spectator in the rear of the Committee room who undraped a banner.

## II. President's Knowledge

While admitting that he had lied to Congress, North unequivocally asserted that he was not now lying to protect the President.

## IV. Continuation of Hearing

Examination of LtCol North by Senate Counsel Arthur Liman will commence at 2:00 p.m.

THE WHITE HOUSE  
WASHINGTON

July 8, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.  
RHETT B. DAWSON  
KENNETH M. DUBFRSTEIN  
M. MARLIN FITZWATER  
THOMAS C. GRISCOM

FROM: ARTHUR B. CULVAHOUSE, JR. *ABC*  
COUNSEL TO THE PRESIDENT

SUBJECT: Testimony of LtCol Oliver North  
Wednesday Morning, July 8, 1987

Attached is a summary prepared by Counsel's Office of the testimony of LtCol Oliver North at this morning's session of the Iran/Contra hearings.

Attachment

THE WHITE HOUSE  
WASHINGTON

July 8, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: WILLIAM B. LYTTON III *W*

SUBJECT: TESTIMONY OF LTCOL NORTH  
JULY 8, 1987 (MORNING SESSION)

Paula Boggs, Todd Buchwald, Paul Colby and Patrick Duffy observed the testimony of LtCol Oliver North on the morning of February 7, 1987, and report as follows.

I. Overview

Most of this morning's questions involved the November 1985 HAWK shipment, the Findings of November 1985 and of January 6 and 17, 1986, and residual funds from arm sales to Iran. North testified that he was told (on 1/15/86) by Admiral Poindexter that the President, referred to as "Joshua", and Secretary Weinberger had agreed to the replenishment, by sale, of TOWs and HAWKS sold by Israel to Iran, but in the event of crisis, the President would authorize the delivery of Israel's requirements by C-5A transport aircraft. [North did not indicate whether Israel would pay for an emergency delivery.] Nields also presented notes (recently turned over to the Committees by North's attorney) that were taken by North during a conversation with Robert McFarlane on November 21, 1986. In that conversation, McFarlane said that the President approved, in July 1985, the sale of arms by Israel to Iran. McFarlane also recounted Attorney General Meese's conclusion that the President's decision would constitute a "mental finding" which would amount to legal authorization for both Israel's sale to Iran and U.S. replenishment to Israel as a covert action. North also denied telling Robert Earl, after his conversation with the President of November 25, 1986, that the President had said "It's important that I not know" or words to that effect. Also of note, North's testimony revealed the close relationship he shared with William Casey. North also gave a spirited and emotional explanation for his security system at his home. He denied receiving any financial benefits, other than the security system, and he admitted falsifying documents to cover up this "gift".

## II. President's Knowledge

### A. Diversion

North reiterated that to his knowledge, the President did not know of diversion, but testified that Poindexter, with Casey's concurrence, approved the use of residuals from the Iran arms sales for the Contras. North stated that the idea was raised by Ghorbanifar, as an "incentive," during a January 1986 meeting in Europe after the January 17 Finding was signed by the President.

### B. Boland Amendment

Nothing to report.

### C. Iran Operations

North referred to the profits from the Iran arms sales alternatively as "the Ayattollah's money" and as "belonging to Secord." Though North did not answer the question, Nields asked him why he was seeking the President's approval for use of the residual funds (as reflected in the undated memo), if those funds belonged to Richard Secord.

### D. Third Country Aid to Contras

Nothing to report.

### E. Private Support to Contras

Nothing to report.

### F. November 1986 Chronologies

Nothing to report.

## III. Testimony About North's Alleged Misuse of Funds

North also testified extensively about various allegations that he misused funds. He explained that he never knew about a testamentary document under which he would have obtained \$2 million if Hakim and Secord died. He further explained he used travellers checks for his personal use only to reimburse himself after advancing his personal funds for operational activities. He testified that he kept a complete ledger about all travellers checks and cash that he used in his operational activities, but destroyed it in early November 1986 upon the advice of DCI Casey, who was concerned about the safety of persons appearing on the ledger when it appeared that the secrecy of the NSC operations would unravel and that North might be sued. North conceded using these funds to pay for his official USG travel.

North admitted that he had not paid for a security system installed in his house in April 1986, and admitted that he made a terrible misjudgment in trying to hide that fact afterwards. He

explained, however, that the security arrangements were made after Abu Nidal had targeted North and his family for death, and after other plans for the USG to provide security were determined not to be feasible or available.

IV. Continuation of Hearing

LtCol North's testimony will continue at 2:00 p.m.

THE WHITE HOUSE  
WASHINGTON

July 7, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.  
RHETT B. DAWSON  
KENNETH M. DUBERSTEIN  
M. MARLIN FITZWATER  
THOMAS C. GRISCOM

FROM: ARTHUR B. CULVAHOUSE, JR. *AB*  
COUNSEL TO THE PRESIDENT

SUBJECT: Testimony of LtCol Oliver North  
Tuesday Morning, July 7, 1987

Attached is a summary prepared by Counsel's Office of the testimony of LtCol Oliver North at this morning's session of the Iran/Contra hearings.

Attachment

THE WHITE HOUSE

WASHINGTON

July 7, 1987

MEMORANDUM FOR ARTHUR B. CULVAHOUSE, JR.

FROM: WILLIAM B. LYTTON III *W*

SUBJECT: TESTIMONY OF LTCOL NORTH  
JULY 7, 1987 (MORNING SESSION)

David Howard, Paula Boggs, Todd Buchwald and Patrick Duffy observed the testimony of LtCol Oliver North on the morning of July 7, 1987 and report as follows:

I. Overview

LtCol North testified that, while he briefed his superiors and had their approval for all his actions and while he always believed the President was aware of the diversion, he never discussed diversion with the President, does not know of anyone who did so, and never saw a document that both discussed diversion and bore an indication that the President had seen it. North testified that on November 21, 1986 Admiral Poindexter told North that he (Poindexter) had never told the President. North also stated that the President, in his telephone call to North on November 25, 1986, said, "I just didn't know."

II. Presidential Knowledge/Involvement

A. Diversion

North testified that he never discussed diversion with the President and does not know of anyone who did so.

North testified that he always sought the approval of his superiors for his actions. North wrote approximately five memoranda outlining potential arms sales to Iran and describing the use of residual profits from these arms sales for the Nicaraguan freedom fighters. North sent these memoranda to Poindexter with the recommendation that Poindexter brief the President on the transactions. Poindexter, unlike in other situations, never told North to stop preparing these memoranda for the President's approval. North received approval from Poindexter to go ahead with these proposed transactions. Although North assumed that the President approved the idea of diversion, North does not recall seeing any memorandum indicating the President's knowledge or approval of diversion, or any

memorandum indicating that Poindexter briefed or intended to brief the President as North had recommended.

North stated that he had probably shredded, before November 21, 1986, the other memoranda he prepared documenting diversion and that, in fact, he had begun shredding in early October 1986 after DCI Casey and he discussed the likelihood of disclosure and Casey told North that things ought to be "cleaned up." House Counsel John Nields insinuated that North may have shredded documents indicating the President's knowledge of diversion.

Poindexter never told North that he had discussed diversion with the President. In fact, on November 21, 1986, after learning of Attorney General Meese's incipient inquiry, North asked Poindexter if the President knew of diversion. Poindexter replied that the President did not know.

North was asked about Richard Secord's testimony that North told Secord he had joked with the President about the irony of using the Ayatollah's money for the Contras. North denied that he had ever made such comments to the President. Instead, he recalled making such an aside to Poindexter while leaving a meeting in the summer of 1986 which dealt with strategy for getting Congress to send a coordinated \$100 million Contra aid bill to the President. North does not think the President heard this aside. [The computerized Presidential Diary System contains no record of such a meeting attended by the President and North in the summer of 1986.] North testified that if he did exaggerate to Secord about this story, he did so to encourage the "exhausted" ex-General.

North also testified that when the President called him on November 25, 1986, the President told him that "I just didn't know."

B. Boland Amendment

Nothing to report.

C. Iran Operations

North testified that he recalls having seen a copy of the November 1985 Finding ratifying CIA involvement in the November HAWK shipment which had been signed by the President. North remembers seeing the signed Finding in Poindexter's office in early December 1985.

D. Third Country Aid to Contras

Nothing to report.

E. Private Support to Contras

Nothing to report.

F. November 1986 Chronologies

North is not aware whether Poindexter or anyone else showed the November 20, 1986 Historical Chronology to the President or asked the President whether he wanted facts about the November 1985 HAWKS shipment to be falsified.

While House Counsel John Nields implied the reason for the false statements in the November 1986 chronologies was to protect the Administration against claims that the Israeli shipments violated U.S. laws, North denied violating any laws and said that his reasons for supporting the false chronologies was to protect the hostages and the "second channel" and to avoid international and domestic repercussions. North said he could not speak for others' reasons in going along with the false chronologies. North testified that McFarlane supplied the false language indicating the Israelis had shipped oil drilling equipment in November 1985, and that Poindexter and Casey (and he assumed Meese) were all aware of the falsity of the chronologies, but, in a session on November 20 to prepare Casey for Congressional testimony the next day, they did not object.

III. Continuation of Hearing

LtCol North's testimony will continue at 2:00 p.m.

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THE WHITE HOUSE  
WASHINGTON

July 2, 1987

MEMORANDUM FOR HOWARD H. BAKER, JR.  
RHETT B. DAWSON  
KENNETH M. DUBERSTEIN  
M. MARLIN FITZWATER  
THOMAS C. GRISCOM

FROM: ARTHUR B. CULVAHOUSE, JR.  
COUNSEL TO THE PRESIDENT

SUBJECT: Anticipated Testimony of LtCol Oliver North  
Tuesday, July 7, 1987

Attached is an in-depth summary prepared by Counsel's office of the anticipated testimony of LtCol Oliver North. LtCol North is expected to testify in public session beginning on Tuesday, July 7.

Attachment

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THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 2 LISTED ON THE  
WITHDRAWAL SHEET AT THE FRONT OF THIS FOLDER.